

Salford Township
Finance Committee
July 14, 2015
Summary

1. Participants: TClemens, JHill, GWitmayer, TWilliamson, KLandis, JStyer. Two representatives of the auditors were present for the audit report discussion only.
2. Prior Meeting Summary: Distributed shortly after previous meeting. No revisions.
3. July Financial Report: Reviewed the reports, in particular, the budget and actuals for revenue and expense with special attention to the mid-year financial position. A financially strong position was noted. The use of Liquid Fuels funds before the General Fund was emphasized.
4. Auditors Report for Year Ending 12/31/14: The auditors presented the draft reports. It was noted that the deadline for receipt of the reports was 6/30/15 which was not met due to several personnel issues at the audit firm. The importance of the deadline was reiterated. The Committee requested that all reserve funds be defined in the notes section for the benefit or residents and other persons reading the reports. The auditors reported that there was nothing to include in the "management letter", however, the Committee requested a letter be prepared noting that fact. There were several areas for further investigation and clarification by the auditors. The auditors reported there were no significant adjusting entries to be made. The final draft will be presented to the Committee at its next meeting which will then be recommended to the BOS, provided all is acceptable. The final report will be released after approval by the BOS.
5. Retirement Plans: The importance of a retirement program for Township employees was discussed at previous meetings. Reviewed an initial proposal from Uninvest for a defined contribution program. More information was requested about the various state supported programs. Jim will seek proposals from other entities and will bring a complete description of the programs to the next meeting.
6. Cell Tower Consultant: Jim presented a chronological listing of the various events over the last two years after the meeting for clarification purposes. Last year, the BOS requested the Solicitor to investigate possible extensions of the existing leases. This was accomplished and a summary presented showing initial results of the negotiations. The projected value of the lease extensions for the 4 sites was approximately \$8,000,000 over 25 years. The Committee recommended engagement of an expert to review the Township situation and to provide advice on the next steps to maximize the value. The Solicitor has presented a proposed agreement with a firm, "Steel in the Sky" to review the leases for the 4 towers and present recommendations. The fee was shown as \$8000, but the agreement was unclear and could be construed to be \$8000 per tower. Jim was asked to clarify and this was done on 7/15/15 in as conversation with the CEO of SIAS and a revised agreement was to be provided by the firm indicating the total fee of \$8000 for all 4 towers. There was additional discussion about the "buy-out" versus "extension" decision and it was proposed that the final discussion be postponed until the results of the consultant have been received. The Committee

recommended the BOS approve the agreement, provided the fee would not exceed \$8000. If, in fact, the fee was a total of \$32,000, the additional proposals were recommended.

7. Storm Water Management: The issue of a storm water report was raised along with the potential financial risk of failure to comply. Jim will get more info and report back.

8. Next Meeting: Tuesday, August 11, 2015, 7:30 pm.